

TRANSMITTAL

To:

THE COUNCIL

Date:

MAR 4 2014

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

Eric Garcetti

by RLL

ERIC GARCETTI
Mayor

(Rich Llewellyn)



Eric Garcetti, Mayor
Rushmore D. Cervantes, Interim General Manager

Housing Development Bureau
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February 25, 2014

Contract File: C.F. #12-0520-S2
Council District: Citywide
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Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
200 N. Spring Street
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT (HCIDLA) REQUEST TO TRANSFER THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) GRANTS FROM THE SOUTHERN CALIFORNIA GAS COMPANY; VARIOUS ACTIONS RELATED TO THE EECBG PROGRAM

SUMMARY:

On April 24, 2013, the Mayor and City Council authorized the General Manager of the former Community Development Department (CDD) or designee to negotiate and execute documents including new contracts and/or amendments to existing contracts with Sempra/The Southern California Gas Company (The Gas Company), necessary to accept and administer \$1,236,976 in energy efficiency grants, including the Los Angeles Better Building Challenge (LABBC) grant, which would allow the continuation of existing energy efficiency programs through December 31, 2014, (CF#12-0520-S2). The City Council authorization included instructions to the General Manager, CDD to report back on the scope of work, final terms of the agreement with The Gas Company, and the potential for continued funding for an additional year.

With the restructuring of CDD, various functions performed by the department were transferred to the Los Angeles Housing and Community Investment Department (HCIDLA), which included the administration of the energy efficiency grants. Therefore, the HCIDLA General Manager requests authority to revise the contractual agreements as required to support the LA Better Buildings Challenge (LABBC) program, which is a component of the City's Energy Efficiency and Conservation Block Grant (EECBG).

RECOMMENDATIONS

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) respectfully requests that:

1. Your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to City Council for review and approval immediately thereafter;
2. The City Council, subject to the approval of the Mayor, authorize the HCIDLA General Manager or designee to:
 - A. Assume the administration of the EECBG Grant and notify the U.S. Department of Energy of this change in the administrative entity.
 - B. Assume the Los Angeles Better Buildings Challenge (LABBC) grant from The Gas Company, notify The Gas Company of this change in administrative entity and negotiate and execute the amendment of the existing contract with The Gas Company, as necessary.
 - C. Assume the State Energy Program (SEP) grant and Debt Service Reserve Fund (DSRF), and notify the California Energy Commission and Local Government Commission, together with the Los Angeles County Treasurer and Tax Collector of this change in administrative entity, and negotiate and execute the amendment of existing agreements and contracts between the City and these entities, as necessary.
 - D. Amend the sole source agreement with Sustento Group, LLC previously approved in C.F. 09-0648-S15, in order to increase the amount by not more than \$623,280 and extend the time for a term consistent with the agreement between the City and The Gas Company, to continue work on the Commercial Properties Financing Program (repackaged as the Better Buildings Challenge) and other energy efficiency matters for the City. This agreement will be funded by The Southern California Gas Company funds, the State Energy Program (SEP) funds and/or other energy-related funds, subject to availability of funds and determination of need by HCIDLA, and subject to the review and approval of the City Attorney as to form.
 - E. Prepare Controller Instructions and/or make any technical adjustments that may be required and are consistent with this action subject to the approval of the CAO and instruct the Controller to implement these instructions. The HCIDLA will continue to monitor and assess activities related to the Energy and Efficiency programs and present requests for administrative and other adjustments in Financial Status Reports (FSRs) throughout the year.

F. AUTHORIZE the General Manager, HCIDLA or designee to negotiate and execute a new inter-agency agreement between the Housing Authority of the City of Los Angeles (HACLA) and HCIDLA, for provision of professional environmental services for HACLA by HCID's Environmental and Land Use Services Unit, pursuant to the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA), and other relevant federal, state, and local land use and environmental laws and regulations.

3. AUTHORIZE the Controller to:

A. Establish accounts and Increase/decrease appropriations in the amount of \$789,639.38 within Fund No. 55A Gas Co. CPUC as follows:

Acct	Title	Amount
22J122	Community Development	(\$3,097.86)
22J299	Related Costs	(6,906.50)
22J441	Gas Co./CPUC Expenses	613,680.00
22J443	LAHD	(18,903.73)
22J622	CDD Costs	(150,212.27)
43K143	Housing and Community Investment	115,851.80
43K299	Reimbursement of General Fund Costs	45,666.00
43K445	HCIDLA Costs	193,561.94
	Total	\$789,639.38

B. Appropriate \$115,851.80 within Fund No. 100/43 as follows:

Acct	Title	Amount
001010	Salaries	\$110,331.80
006030	Leasing	5,520.00
	Total	\$115,851.80

C. Establish new accounts and transfer appropriations in the amount of \$11,933 within Fund No. 54G ARRA-State Energy Program as follows:

	Acct	Title	Amount
From:	22H122	Community Development	\$8,546.00
	22H299	Related Costs	\$3,387.00
To:	43K143	Housing and Community Investment	\$8,546.00
	43K299	Reimbursement of General Fund Costs	\$3,387.00

D. Appropriate \$8,546.00 within Fund No. 100/43 as follows:

Acct	Title	Amount
001010	Salaries	\$8,184.00
006030	Leasing	362.00
	Total	\$8,546.00

CONTRACT AGREEMENT

As shown in the attachment, the contract between The Gas Company and the former CDD took effect on April 1, 2013, and ends on December 31, 2014, and is for the continuation and support of the LABBC program in the total amount of \$1,670,200.00. In addition to grants administration and management, scope of services for HCIDLA staff includes: contract negotiation; program development and implementation; technical supervision and oversight of the City’s energy consultant (Sustento LLC); technical support for program implementation, including CEQA/NEPA review; Section 106 review and compliance; preparation and implementation of waste management plans; coordination of permitting and entitlement processing; and coordination of interdisciplinary team’s efforts in energy efficiency.

As illustrated in the attached Agreement, there is sufficient funding for the continuation of the existing energy efficiency programs through March 2015. With the technical adjustments listed in this report, management and administration of the LABBC grant and related energy efficiency programs already in process can continue without any break in service or interruptions.

FISCAL IMPACT STATEMENT

This report provides information relating only to the Energy Efficiency and Conservation Block Grant (EECBG) – Southern California Gas Company funds awarded to the City and related contractual activities for energy efficiency and environmental protection. There is no fiscal impact to the General Fund.

Prepared by:



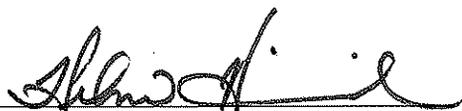
ROBERT MANFORD
Environmental Affairs Officer

Reviewed by:



MANUEL BERNAL
Director of Housing

Reviewed by:



HELMI HISSERICH
Assistant General Manager

Approved by:



RUSHMORE D. CERVANTES
Interim General Manager

RC:HH:RM:MB

Attachment: